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C O N F I D E N T I A L SECTION 01 OF 03 NEW DELHI 004377

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TAGS: PREL PGOV MNUC KNNP MOPS ENRG EPET PINR KISL

IR, PK, IN

SUBJECT: IRAN AND THE NUCLEAR DEAL ARE NOT ELECTION ISSUES  
ACCORDING TO INDIAN ANALYSTS

REF: A. NEW DELHI 3639

1B. NEW DELHI 4174

Classified By: PolCouns Ted Osius for Reasons 1.4 (B,D)

11. (C) SUMMARY: During an Iran roundtable event hosted by PolCouns September 19, a group of Indian analysts, journalists and diplomats agreed that, while the Government of India (GOI) was struggling to live down the perception that it took orders from Washington, neither the nuclear deal nor Iran was an election issue for most Indians. However, if the U.S. conducted a military strike against Iran, the ramifications would be felt far and wide among Indian voters - especially the Muslim vote bank. The experts also concluded that the GOI was not confident enough in its foreign policy to act as a mediator between the U.S. and Iran, political momentum had lessened on the Iran-Pakistan-India (IPI) natural gas pipeline, and Indo-Iranian military ties were nearly non-existent. END SUMMARY.

123 Agreement: The Left Is Buying Time and Stringing the GOI Along

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12. (C) Ashok Malik, senior editor of "The Pioneer," suggested that the United Progressive Alliance (UPA) coalition government was simply engaging with the Left in "talks about talks," adding that Prakash Karat, General Secretary of the Communist Party of India - Marxist (CPM),

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knew that. "The (CPM) Politburo meeting (scheduled for the end of September) will be crucial," he asserted, noting that the meeting was widely seen as an attempt to temper Karat. "He is not objecting to the 123 deal, but rather to Indo-U.S. military and economic ties," said Malik. Naqvi summed up the Left's strategy as "attaching (the issue) to a committee, then stringing (the GOI) along to buy time until it becomes a controversy in Washington." The bottom line, he observed, was that India was hurtling toward an election that no one wanted - least of all the Left, which he predicted would not

do well in early elections.

#### Local Politics is Based on U.S. Ties to Iran

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¶3. (C) Surya P. Sethi, Principal Advisor (Energy) for the Planning Commission of India said he believed that the public's perception of U.S.-Iran relations had more relevance in local politics than Indo-Iran relations. If the U.S. and Iran move away from rhetoric and toward a physical conflict, that would have an impact on Indian politics, he said. Jawaharlal Nehru University (JNU) Professor Dr. Girjesh Pant agreed, arguing that an escalation of tension between the U.S. and Iran would "put India in a difficult situation." Sethi added that it would be difficult for India to vote at the International Atomic Energy Agency (IAEA) on UNSC sanctions against Iran if the U.S. were to threaten or carry out military strikes on Iran.

#### Iran Not an Election Issue - Yet

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¶4. (C) Asked if India's ties to Iran would play any role in 2008 elections, the group unanimously declared that Iran was not an issue. Malik reiterated that Iran would only become an issue if the U.S. conducted a military strike against Iran. If a strike occurred, he averred, it would become a Muslim issue - including both Shias and Sunnis. Ambassador Surendra K. Arora, Head of the Bharatiya Janata Party (BJP) Foreign Affairs Committee and former Indian Ambassador to Iran, concurred, pointing out that there was no division between Shias and Sunnis in India on Iran policy. Naqvi underlined that a U.S. strike on Iran would cause the Muslim vote bank to move toward the Left. The U.S. should keep its

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"rhetoric against Iran high," Naqvi counseled, suggesting that French President Sarkozy should chime in and threaten that a strike was imminent. He warned, however, against actually carrying out a strike against Iran. "It would complicate the entire area," he signaled.

#### Living Down the Perception that India is Taking Orders from the U.S.

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¶5. (C) It was troublesome for the Indian government to live down the perception that its two votes against Iran in the IAEA were a result of arm-twisting from the U.S., according to Naqvi. The domination of the 123 Agreement in the discourse between the U.S. and India over the past few years had been a mistake, Naqvi asserted, adding, "It created the impression that India was obsessed with its relationship with the U.S."

¶6. (C) Naqvi suggested that, as the U.S. reportedly held conversations with the Iranians, it has created the impression that, while it is alright for the U.S. to engage Iran, it is not acceptable for others to do the same. That had serious implications, considering the USG's role as a global power, he underlined, adding, "The absurd end of it is that India will have spoiled its relations with Iran and the U.S. will mend them!"

#### Can India Act As a Mediator Between the U.S. and Iran?

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¶7. (C) Asked if India could act as a mediator between the U.S. and Iran, Naqvi affirmed, "That's the way it should be pitched." He conceded, however, that India had not been able to influence Nepal, Bangladesh or Sri Lanka, and therefore it would be difficult for India to influence Iran. Sethi disclosed that he did not think the Ministry of External Affairs (MEA) had the confidence to play a mediator role. India's domestic issues had overtaken everything, Sethi

attested, and Malik added that it was very difficult to expect India to be able to influence Iran's foreign policy. Arora predicted there would be a regime change in Iran, "one that can look at issues more pragmatically."

#### Lessening Momentum on the IPI Pipeline

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¶18. (C) Col. Ajay Shukla, defense editor of New Delhi Television (NDTV), conveyed that Foreign Minister Mukherjee's February 2007 visit to Tehran had gone well, remarking that Mukherjee had "said the right things." However, he added, there was a limit to how much India could rely upon its rhetoric of having "civilizational ties" to Iran. There was also a clear lessening of political momentum on the Indian side regarding the proposed US\$7.4 billion, 2,700-kilometer IPI natural gas pipeline (refs a,b). Arora said that various parties in India had overreacted to the pipeline. "They have been talking about it for over twenty years," he exclaimed, recalling that it had been an issue even when he was posted to Tehran from 1993-96. In any case, Iran had always been more enamored with European and American, rather than Indian, technology, he claimed.

¶19. (C) Sethi imparted that he did not see the IPI pipeline on the horizon. In a few years, people would still be talking about it, he declared, indicating that there was no IPI pipeline, in fact, but only an "IP" pipeline. "If Pakistan wants to sell gas to India, they will sell it to us at the border," he maintained. When asked whether the Planning Commission had incorporated the IPI pipeline in projections, Sethi said it had not. Pant stated that he thought the prospect of the IPI pipeline would remain alive. Iran would prefer to sell its resources to the European market, but Asia - particularly India - would be its second choice, he said.

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#### Indo-Iranian Military Ties - Much Ado About Nothing

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¶110. (C) "There is no military relationship" between India and Iran, asserted Shukla. "When (two Iranian naval ships) visited the Indian west coast in March 2006, there was somewhat of a relationship, but now there is not," assessed the television commentator. On a political level, there was "not much to go on at this point in time," he offered. On the other hand, according to Pant, some circles saw the Indian Navy as an agent of the U.S., considering the recent increased naval exercises between the two countries.

Comment: For Most Indians, Iran Is Not on the Radar

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¶111. (C) As our interlocutors point out regularly, Iran is not an issue that resonates with the voting public in India despite attempts to win over the Muslim vote bank by wielding the Iran issue. Average Indians are not mulling over whether or not India's foreign policy is being dictated by Washington - or anyone else. However, the Left and opposition BJP will continue to accuse the UPA government of bowing to the U.S., prompting the GOI to give the impression - occasionally - of continuing to engage in dialogue on the IPI pipeline, despite the improbability of the completion of the project. Meanwhile, India will continue to talk to Iran, a fellow Non-aligned Movement (NAM) country, and a host to several thousand Indian nationals. While the India-Iran political relationship is fraught, partially as a result of India's IAEA votes, their lukewarm engagement will proceed. End comment.

#### List of Participants

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¶112. (SBU) Ambassador Surendra K. Arora, Head of the BJP

Foreign Affairs Committee; former Ambassador to Iran 1993-96)  
Dr. Qamar Agha, Visiting Professor at Jamia Millia Islamia  
Dr. Girjesh Pant, JNU Professor  
Ashok Malik, Senior Editor, "The Pioneer"  
Saeed Naqvi, Editor, "World Report"  
Dr. Deba Prasad Nanda, Associate Professor, Delhi University  
Surya P. Sethi, Principal Advisor (Energy), Planning  
Commission of India  
Col. Ajay Shukla, Defense Editor, New Delhi Television (NDTV)  
WHITE